



Wednesday, April 25, 2018

Eurozone banks see rising loan demand in second quarter: ECB survey

Banks in the eurozone expect demand for corporate loans, consumer credit and mortgages to grow in the Q2 with credit standards also easing, the ECB has said in its quarterly lending survey. By buying trillions of euros worth of public and private bonds over the past three years, the ECB has kept borrowing costs low, hoping to stimulate borrowing and spending, all with the aim of boosting inflation. (www.reuters.com 24/04/18)

EU seeks to join US-China talks on steel, aluminum tariffs at WTO

The EU has sought to join the consultations at the WTO requested by China with the US on the recent US steel and aluminum tariffs, the WTO has said. The EU notified the US, China and the WTO's Dispute Settlement Body that it wishes to join the consultations since it has substantial trade interests in the matter despite opposition from business groups and trading partners. (www.xinhuanet.com 24/04/18)

US consumer confidence improves in April

After reporting a pullback in US consumer confidence in the March, the Conference Board released a report showing an unexpected rebound in consumer confidence in the month of April. Its consumer confidence index rose to 128.7 in April from 127.0 in March. (www.rttnews.com 24/04/18)

Italy consumer confidence weakens in April

Italy's consumer confidence has decreased marginally after strengthening notably in March. The consumer confidence index fell to 117.1 in April from March's 26-month high of 117.5. The composite business confidence index fell to 105.1 in April from 105.9 in March. (www.rttnews.com 24/04/18)

French central bank head bolsters call for eurozone finance minister

France's central bank head Francois Villeroy de Galhau has bolstered his country's push to create a eurozone finance minister. He said it was among a number of steps that are needed to improve the bloc and prevent monetary policy being overburdened. He spoke of an institutional "accelerator" to engineer reforms on the fiscal, macro and micro fronts in the eurozone. (www.reuters.com 24/04/18)

Germany: Business sentiment weak in April

German business confidence deteriorated more-than-expected in April. The Ifo Institute's business sentiment index fell to 102.1 from 103.3 in March. The score was forecast to drop to 102.8. The indicator for the current business situation fell and expectations also deteriorated. (www.rttnews.com 24/04/18)

UK gov't borrowing lowest for 11 years

Government borrowing has fallen to its lowest annual level in 11 years, according to the latest official figures. Borrowing fell by £3.5bn to £42.6bn in the 2017-18 financial year, the Office for National Statistics said. That was below the estimate of £45.2bn produced by the independent Office for Budget Responsibility last month. Borrowing narrowed to 2.1% of GDP last year. (www.bbc.com 24/04/18)

Finland PPI inflation accelerated in March

Finland's producer price inflation accelerated in the month of March after easing in the previous month, figures from Statistics Finland showed on Tuesday. Producer prices for manufactured products climbed 3.1% year-over-year in March. This figure is faster than a 2.1% increase that was seen in Feb. The measure has been rising since Nov. 2016. (www.rttnews.com 24/04/18)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3946	(1.3934)	1.3979	(1.3967)
+USD/EUR	1.2202	(1.2212)	1.2226	(1.2236)
*GHS/USD	4.4035	(4.4030)	4.4079	(4.4074)
*GHS/GBP	6.1473	(6.1413)	6.1556	(6.1496)
*GHS/EUR	5.3787	(5.3824)	5.3836	(5.3873)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 25/04/18 (Rates for 24/04/18 in brackets)

* BOG INTERNAL TRANSACTION RATES: 24/04/18 (Rates for 23/04/18 in brackets)

Curbs on interest-only loans have cut risks – RBA's Kent

Regulatory actions to curb interest-only lending has helped reduce risks in what had been a rapidly expanding area of Australia's credit market, a Reserve Bank of Australia official has said. Interest-only loans tend to encourage risk-taking by offering borrowers an introductory period of low payments before they have to begin paying back the principal. The step up in costs can catch many people out. (www.centralbanking.com 24/04/18)

Paraguay maintains rate as inflation within target range

Paraguay's central bank has left its monetary policy rate at 5.25%. The inflation rate was steady at 4.1% in Feb. and March, within the central bank's target of 4.0%, plus/minus 2 percentage points. The economy expanded by an annual rate of 3.0% in the third quarter of 2017, up from 1.1% in the second. (www.centralbanking.com 25/04/18)

Oil at \$75 as Iran sanction fears mount

Oil prices hit \$75 on Tuesday, the highest level in nearly three and a half years, as fears mounted over the prospect of new US sanctions on Iran. Brent crude rose for a sixth consecutive day, trading at \$75.27 before falling back slightly. The US will decide by 12 May whether to abandon a nuclear deal with Iran and re-impose sanctions. Such a move on the third-biggest oil producer in the OPEC cartel threatens to further tighten global supplies. (www.bbc.com 24/04/18)

Zimbabwe may launch \$3.5bn sovereign bond issue post-election: deputy minister

Zimbabwe is considering issuing between \$2.5 and \$3.5bn in sovereign bonds after elections set for July and will use some of the money to clear arrears to foreign lenders, Deputy Finance Minister Terrence Mukupe has said. Mukupe said the southern African nation would use export receipts from tobacco, gold and horticulture to repay the bond. (www.af.reuters.com 24/04/18)

South Africa's rand on back foot against dollar, technical support seen

South Africa's rand was on the back foot on Wednesday against the resurgent dollar but was seen in a tight range with no major domestic data in the offing and strong technical support seen kicking in soon. At 0620 GMT, the rand was 0.40 percent softer against the greenback, fetching 12.38/dlr. (www.af.reuters.com 25/04/18)

Ethiopia not ready for foreign investment in telecoms, banking: president

'Ethiopia is not yet ready for foreign investments in its telecoms and banking sectors, but is interested in developing its manufacturing', Ethiopian President Mulatu Teshome Wirtu has said. The country has one of the last state telecoms monopolies on the continent. (www.af.reuters.com 24/04/18)

Fuel shortage hits Sudan as dollar crisis hampers imports

Vehicles queued for hours at gas stations in Sudan's capital on Tuesday as a fuel shortage caused by the government's difficulty in importing it due to a foreign currency crisis hit home. Once an exporter of oil, Sudan was forced to begin importing fuel after the south seceded in 2011, taking with it three-quarters of what had been its oil output and its main source of foreign currency. The Sudanese pound has dropped to 35 to the dollar from 33 pounds earlier this week, a black market trader told Reuters. Inflation quickened to 55.6% in March year-on-year from 54.34% in Feb. (www.af.reuters.com 24/04/18)

Ghana looking to sell debt in the 7% coupon range – Finance Minister

Ghana is seeking to issue up to \$2.5bn worth of Eurobonds in the coming weeks with a coupon in the 7% range, a rate well below previous sales. The debt offering, for a country that still struggles with a debt burden that last year was equivalent to roughly 69% of its overall economic growth, coincides with government's plans to leave a \$918m credit programme with the IMF by year-end. (www.af.reuters.com 25/04/18)

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